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STRENGTHENING INTERNATIONAL STATISTICAL COOPERATION

Report of the Inter-Agency Task Force on Industrial and Construction Statistics

Note by the Secretary-General

The Secretary-General has the honour to transmit to the Statistical Commission the report of the Inter-Agency Task Force on Industrial and Construction Statistics (Convener: Organisation for Economic Cooperation and Development (OECD)) which is contained in the annex. The report is transmitted to the Commission in accordance with a request of its Working Group on International Statistical Programmes and Coordination at its sixteenth session (Geneva, 13-16 September 1993) (E/CN.3/1994/2, para. 11).

* E/CN.3/1994/1.

Annex

REPORT OF THE INTER-AGENCY TASK FORCE ON INDUSTRIAL AND CONSTRUCTION STATISTICS

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I. COMPOSITION OF THE TASK FORCE

1. The membership of the Inter-Agency Task Force on Industrial and Construction Statistics consists of several international agencies: OECD (Convener), the Statistical Division of the United Nations Secretariat (UNSTAT), the International Monetary Fund (IMF), the United Nations Conference on Trade and Development (UNCTAD), the United Nations Industrial Development Organization (UNIDO), and the Statistical Office of the European Communities (Eurostat). Three countries have also volunteered to help the Task Force in its work: Canada, Italy and the United States of America. The World Bank and the United Nations regional commissions have not participated in meetings of the Task Force for financial and other reasons but have expressed interest in the work of the Task Force and have been kept informed of its progress.

II. MANDATE

2. When dealing with issues of data collection, "industry" is to be construed narrowly, i.e., as mining, manufacturing and public utilities. However, "industry" should be construed broadly when discussing the implementation of the third revision of the International Standard Industrial Classification of All Economic Activities (ISIC, Rev.3). The Task Force will not address "construction" in the current phase of its work. The Working Group may reassign that responsibility or review the mandate of the Task Force later.

3. The Task Force affirmed that the implementation of ISIC, Rev.3 - not the further revision of the ISIC - was within its mandate. It noted that the lack of conversion keys from ISIC, Rev.2 to ISIC, Rev.3 was a major impediment to that task. Intercountry comparisons have become increasingly difficult and the widespread adoption of a truly international classification would be the most effective remedy.

4. The Task Force has two overriding goals:

(a) To review and recommend ways of improving the international comparability of industry statistics;

(b) To agree on whatever measures are required to reduce duplication in, streamline and better coordinate the collection, compilation and dissemination of industry statistics.

5. The Task Force adopted as an additional agenda item the systematization of knowledge about the users and uses of industry statistics, with special emphasis on the policy issues that industry statistics are designed to inform.

III. ACHIEVEMENTS TO DATE AND PROSPECTS FOR FUTURE SUCCESS

6. The Task Force adopted as the first task on its agenda the taking of a survey on country practices and intentions with respect to ISIC, Rev.3. That survey is intended to complement a similar survey taken by UNSTAT, which was

discussed at the twenty-sixth session of the Statistical Commission and found to be lacking in a number of important respects.

7. The questionnaire for the survey of country practices and intentions was pilot tested using a subjectively selected representative sample of countries. The inquiry itself was sent to approximately 100 countries, which are generally respondents to UNSTAT inquiries on industrial statistics. The analysis of the survey will be the subject of the next meeting of the Task Force, which will be held in March 1994. A supplementary report on that meeting will be submitted to the Statistical Commission.

8. In principle, questions need to be asked of only a sample of countries. However, some questions can best be answered by personal visit, probably in conjunction with other missions. A list of those questions has been drafted and interviews will begin following the analysis of survey results.

9. Members of the Task Force have begun a summary of the uses and users of industry statistics for eventual transmission to the Statistical Commission; a set of questions for international organizations will be based on that summary.

10. The Task Force has encouraged the development and dissemination of a set of concordance tables and other materials needed to facilitate the implementation of ISIC, Rev.3. Two items are in progress at UNSTAT: (a) a computerized correspondence table between ISIC, Rev.2, ISIC, Rev.3, the third revision of the Standard International Trade Classification (SITC, Rev.3), the Harmonized System (HS) and the Provisional Central Product Classification (CPC); and (b) a detailed table of correspondence between ISIC, Rev.2 and ISIC, Rev.3, which is not currently computerized. UNSTAT has agreed to announce that the detailed correspondence table in item (b) will be available through the regional commissions by January 1994, while the computerized correspondence tables in item (a) will be available by July 1994. A few modest aids that will guide the transition from ISIC, Rev.2 to ISIC, Rev.3, such as handbooks and curricula for workshops, could also be developed.

IV. CURRENT DEVELOPMENTS IN THE AREA OF GENERAL INDUSTRIAL STATISTICS

11. The Task Force noted that, in accordance with the recommendation of the Statistical Commission at its twenty-seventh session, UNIDO, in collaboration with OECD, would assume responsibility for the collection and dissemination of world-wide general industrial statistics, effective 1994. UNSTAT has forwarded to UNIDO all related technical materials, including copies of general industrial statistics questionnaires and a computer system manual, as well as information used to facilitate communications with national statistical offices. During the present transition period, UNSTAT has sent out the 1992 edition of the general industrial statistics questionnaires to non-OECD countries. Those questionnaires, when returned to UNSTAT, will be forwarded to UNIDO for processing and dissemination. OECD will collect the general industrial statistics data for its member countries and will share those data with UNIDO. UNSTAT has also agreed to continue the collection and dissemination of general industrial statistics on mining and quarrying, electricity, gas and water for

non-OECD countries for the next few years, until UNIDO is able to assume full responsibility for the functions of their collection and dissemination. UNSTAT will continue to collect and disseminate data on the index numbers of industrial production.

V. POINTS FOR DISCUSSION

12. The Statistical Commission may wish to:

(a) Comment on the achievements and the prospects for future success of the Task Force;

(b) Review and suggest ways of improving the international comparability of industrial statistics;

(c) Discuss aspects of industrial statistics, including the uses and users of industrial statistics;

(d) Endorse the mandate of the Task Force.

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STRENGTHENING INTERNATIONAL STATISTICAL COOPERATION

Inter-Agency Task Force on International Trade Statistics

Note by the Secretary-General

The Secretary-General has the honour to transmit to the Statistical Commission the report of the Inter-Agency Task Force on International Trade Statistics (Convener: General Agreement on Tariffs and Trade (GATT)), which is contained in the annex. The report is transmitted to the Commission in accordance with a request made by its Working Group on International Statistical Programmes and Coordination at its sixteenth session (Geneva, 13-16 September 1993) (E/CN.3/1994/2, para. 11).

* E/CN.3/1994/1.

ANNEX

Report of the Inter-Agency Task Force on International Trade Statistics

Convener: GATT

I. PERCEPTION OF MANDATE

1. The Task Force interpreted its mandate as focusing on the availability, quality and consistency of international merchandise trade data by:

(a) Improving the flow of data from national authorities to the Statistical Division of the United Nations Secretariat (UNSTAT) for inclusion in the Commodity Trade Statistics Data Base (Comtrade) (termed "reported" data);

(b) Adjusting reported data which do not comply with international guidelines, to assure inter-country comparability;

(c) Improving the estimation process used to create data files for those countries and periods where no reported data are available;

(d) Improving the flow of data among the international organizations, as well as information about the data compiled and disseminated by them;

(e) Reducing duplication in data collection and consequently reducing reporting burdens on countries;

(f) Improving user access to the databases, particularly to Comtrade;

(g) Ensuring that international concepts and definitions in trade statistics continue to be relevant to trading practices and are harmonized with related statistical standards;

(h) Assisting countries in improving their international trade statistics;

(i) Generally enhancing the level of communication and cooperation among the international organizations active in international trade statistics work.

2. In addition to the reported data received and maintained by UNSTAT in Comtrade at the finest level of detail, it was decided by the Task Force to create and maintain two additional databases consisting of:

(a) Reported data with adjustments and estimates, disaggregated at the three-digit level of the Standard International Trade Classification, revision 2 (SITC, Rev.2) by partner (to be managed by UNSTAT and lodged at the New York Computing Service (NYCS) and the International Computing Centre (ICC);

(b) A unified database where imports and exports are forced to match at the country level, by commodity, for negotiations purposes (to be managed by GATT and lodged at ICC).

II. EVALUATION OF METHODS

3. The methods of work of the Task Force have included:

(a) Preparation of reports. These have been descriptive, analytical and constructively critical;

(b) Review of the reports and extensive discussion and questioning in meetings. Challenges have been extended to each participating organization to refocus its own work, in the context of greater cooperation, while still meeting its own objectives;

(c) Expanded bilateral and multilateral communication throughout the year on technical, data-related and methodological questions. Communication has become more effective and frequent and has generated a more open and collegial approach, which is having positive impact on the work done.

4. The above-mentioned methods of work have been used to carry out the terms of reference outlined by the Working Group on International Statistical Programmes and Coordination at its fifteenth session, held from 29 June to 1 July 1992 (E/CN.3/1993/21, para. 53), as follows:

(a) To determine the work being done by international organizations on methods, collection, compilation, processing and dissemination and technical cooperation: major input was requested from each organization and a series of papers was produced to identify the current situation. This served as the basis for developing a strategy and work plans;

(b) To assess problems, duplication, weaknesses, imbalances and priority gaps: several papers were produced comparing side-by-side at the country level, and for major commodity groups, the data currently published by international organizations. Furthermore, an inventory of concepts and definitions used by national authorities was compiled from national publications, supplemented by a paper recommending specific areas where further clarification would be required in current United Nations international merchandise trade concepts and definitions;

(c) To evaluate the quality and comparability of statistics produced: the papers referred to in paragraph 4, subparagraphs (a) and (b) above have contributed to work on that item. The Task Force developed an inter-agency questionnaire on national practices in external trade statistics. To date, over 120 national statistical agencies have responded, yielding a wealth of information. A follow-up questionnaire has been developed to address specific questions of interest to particular international organizations and a publication is planned in 1994 on the differences now existing in the compilation of international merchandise trade statistics. Also, a revision to the international merchandise trade concepts and definitions is planned, which will address the extent to which, if any, the theoretical and practical aspects of the compilation of trade statistics should be mixed;

(d) To review the publications issued by each international organization: UNSTAT is undertaking a study to identify the commonalities in output and timing, and the most notable discrepancies in the reported data;

(e) To take agreed actions to improve the system-wide work in this area, including its coordination: actions were agreed across the whole range of concerns in international trade statistics and progress has been closely monitored.

III. ACHIEVEMENTS TO DATE

A. Improving the content and flow of data for Comtrade

5. UNSTAT developed a more structured approach in follow-up procedures and promoted a more coordinated approach among international organizations for exchanging information. This mutual cooperation has resulted in significant improvements, and many international organizations and other users have already benefited from the more complete and current coverage of Comtrade in their compilation of 1992 statistics. Systems work is well under way for including data according to the Harmonized Commodity Description and Coding System (HS) in Comtrade, in addition to the data currently held according to the Standard International Trade Classification.

B. Adjustments to report data

6. A division of labour approach was implemented, with the priority areas being allocated as follows:

(a) Flags of convenience - United Nations Conference on Trade and Development (UNCTAD);

(b) Food aid and barter trade - Food and Agriculture Organization of the United Nations (FAO);

(c) Military goods and special/general trade - General Agreement on Tariffs and Trade (GATT);

(d) Monetary gold - International Monetary Fund (IMF);

(e) Bunkers and illegal trade - Organisation for Economic Cooperation and Development (OECD);

(f) Cost, insurance, freight/free on board (c.i.f./f.o.b.) - World Bank;

(g) Electricity, gas and water - Statistical Office of the European Communities (Eurostat).

7. Progress has been slower than expected in view of the complexity, in certain areas, of developing quality adjustments, even at the one-digit level of the SITC by country. However, work is being pursued by all concerned.

C. Estimates

8. Two methods are being tested. One is a revised version of the model currently used by UNSTAT (an algorithm for filling gaps in trade matrices). The other, developed by the World Bank, uses a simultaneous equation solving system. A joint paper is being prepared by UNSTAT and the World Bank for consideration by the Task Force. The paper is to include the pros and cons of each model, a recommendation on the better approach and a full set of estimates at the three-digit level of SITC Rev.2 for 1990 for a sample of selected countries.

D. Reducing response burden on countries

9. Efforts are being made to reduce response burden on countries and to improve the consistency of data maintained by international organizations. To that end:

(a) UNSTAT plans to use the aggregate import and export values by country, and aggregate index number series compiled by IMF, rather than continuing independent collection and compilation; that is to start in early 1994;

(b) UNSTAT and Eurostat are studying the possible use of Eurostat data in the Comtrade database, in place of individual Member State submissions; a decision could be taken with the availability of the 1993 annual data;

(c) OECD is studying the use of Comtrade data and a decision is expected in 1994;

(d) Work has begun on the preparation of common estimates for Central European countries and the Commonwealth of Independent States by the Economic Commission for Europe (ECE), UNCTAD and GATT.

E. Other important achievements

10. UNSTAT is to coordinate a review of international trade concepts and definitions, in which the first step is to have international organizations review chapters of the concepts and definitions of interest to them. A preliminary report is planned for 1994. UNSTAT has finalized an interim draft report on country practices based on over 120 replies to the inter-agency questionnaire on national practices in external trade.

11. UNSTAT has also begun work on a review of publications on trade statistics published by international organizations and a draft report is planned for 1994.

12. The World Bank, UNCTAD and UNSTAT, with the World Bank as the lead organization, have proceeded with development work on an improved interface for access to the Comtrade database, which is intended to better meet the needs of its users.

13. UNSTAT has planned a training workshop for countries to assist them in improving their capability to produce international trade statistics; and UNCTAD

has continued supporting the Automated System for Customs Data (ASYCUDA) project in many countries, which includes a computerized system for the production of international trade statistics.

IV. PROSPECTS FOR FUTURE SUCCESS

14. Significant achievements have been made by the Task Force and individual member organizations in a wide range of areas of international trade statistics in a relatively short period, including aspects of data and enhanced systems support; concepts and definitions; country practices; and overall coordination. Specific plans have been made, including priorities and timetables, and responsibilities have been accepted by each organization. Follow-up methods for mutual support and monitoring have been introduced. A training workshop on improving international trade statistics will be held. Mutual confidence has been built up among the participating organizations. While some deadlines have not been met, especially in the area of adjustments and estimates, other work is largely on target and the prospects are very positive.

15. A list of the members of the Task Force is set out below.

General Agreement on Tariffs and Trade (Convener)

United Nations Statistical Division/Department for Economic and Social Information and Policy Analysis

Macroeconomic Analysis and Social Policy Division/Department for Economic and Social Information and Policy Analysis

United Nations Conference on Trade and Development

Economic Commission for Africa

Economic Commission for Europe

Economic Commission for Latin America and the Caribbean

Economic and Social Commission for Asia and the Pacific

Economic and Social Commission for Western Asia

Food and Agriculture Organization of the United Nations

World Bank

International Monetary Fund

Customs Cooperation Council

Inter-American Development Bank

Organisation for Economic Cooperation and Development

Statistical Office of the European Communities